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February 1, 2006

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*Via Email and First Class US Mail*

Mr. John Baza, Director  
State of Utah  
Division of Oil, Gas & Mining  
P.O. Box 145801  
Salt Lake City, UT 84114-5801

Re: Deer Creek Mine Permit C/015/0018 – Emery County, Utah

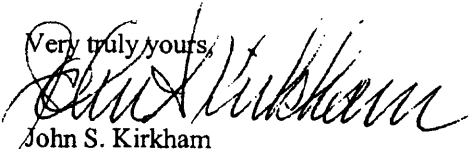
Dear Mr. Baza:

At the conclusion of the informal conference in the above captioned matter which you conducted on January 24, 2006, you allowed the Utah Environmental Congress until January 27, 2006 to provide additional information in support of its objections to permit renewal. On January 30, 2006 a copy of the material was hand delivered to our office. We have now had a chance to review the submission and find nothing of substance that has not previously been considered by the Division.

As we stated at the informal conference, the Division's responsibility in connection with a permit renewal is quite clear. PacifiCorp has a right of renewal without any conditions imposed or limitations applied unless the Division enters a finding with regard to one of the issues set out in the Rules at R645-303-233. Nothing in this most recent submittal on behalf of UEC provides any substantive information on which to base such a finding. The arguments simply attempt to reargue issues regarding environmental review which were previously decided by the Forest Service Appeal Team and as to which the appeal time has run. Therefore, the permit must be renewed.

Please let us know if we can be of any further assistance.

Very truly yours,

  
John S. Kirkham

JSK:jse

cc: Utah Environmental Congress  
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